

REFORMS IN THE POSTAL SERVICE.

[To accompany Bill H. R. No. 303.]

MARCH 8, 1860.

Mr. COLFAX, from the Committee on Post Offices and Post Roads,
made the following

REPORT.

*The Committee on Post Offices and Post Roads, to whom were referred
sundry petitions and resolutions proposing reforms in the postal service,
beg leave to report :*

That the constantly increasing expenses of the Post Office Department, and the heavy charge thus annually imposed on the treasury, have compelled your committee, in the performance of their duties, to examine these expenses, and to consider whether they could not be materially reduced without impairing the efficiency of the service. Passing over other items of expense for the present, they recommend the adoption of the following retrenchments amongst the officers of the department :

OF DEPUTY POSTMASTERS.

For over twenty years previous to 1847 the commissions allowed to postmasters, under the old rates of high postage, were 30 per cent. on the first \$100 collected at any post office ; 25 per cent. on the next \$300 ; 20 per cent. on the next \$2,000 ; and 8 per cent. on all over \$2,400. On the 1st of March, 1847, however, Congress having previously reduced the rates of letter postage to five and ten cents, instead of the former rates, which ranged from six to twenty-five cents, deemed it expedient to increase the percentage to postmasters as follows : on any sum not exceeding \$100 *per year*, 40 per cent. ; on the next \$300, 33½ per cent. ; on the next \$2,000, 30 per cent. ; on all sums over \$2,400 *per year*, 12½ per cent. ; and on letters received for distribution, 7 per cent. (See Statutes at Large, vol. 9, page 148.)

Again, on the 3d of March, 1853, Congress, having previously still further reduced the rates of letter postage to three cents prepaid, and five cents unpaid, for all distances under three thousand miles, and double that amount for greater distances, another increase in the percentage allowed to postmasters was granted by adding a section to the post-route bill of that year, which enhanced their rates of com-

pensation, as follows: on any sum not exceeding \$100 *per quarter*, (instead of per year, as theretofore,) 50 per cent.; but where the mails arrived regularly in the night, 60 per cent. was allowed; on the next \$300 per quarter, 40 per cent.; on the next \$2,000 per quarter, 35 per cent.; on all over \$2,400 per quarter, 15 per cent.; and on letters for distribution, 10 per cent.—(Statutes at Large, vol. 10, page 255.)

This rate continued until January 22, 1854—but a little over a single year—when the rates of commission were again increased to 60 per cent. on the first \$100 per quarter, and 70 per cent. where the mail arrived at night; 50 per cent. on the next \$300; 40 per cent. on the next \$2,000; 15 per cent. on all over \$2,400 per quarter; and 12½ per cent. on letters received at a distributing office for distribution, which are the present rates. By all the laws quoted, 50 per cent. on newspaper postage was also allowed. Under the operations of these laws the commissions paid to postmasters have increased from \$1,742,508 in 1854, to \$2,448,638 in 1859—an expansion in five years of nearly 50 per cent. in the aggregate, while the amount of postage collected has increased but 25 per cent.

These steady advances in the rates of commission were based on the argument that, under the reduction of the rates of postage, increased labor would be required of postmasters in the increased number of letters mailed and delivered by them; and this argument was unquestionably entitled to some regard. But in turn, a little over a year after the last increase was adopted, the labors of postmasters were *decreased* by the adoption of the compulsory prepayment law which went into force in 1855. This, with the system of stamps and stamped envelopes, very materially lightened the labors of postmasters, as all letters, being prepaid, are delivered now as soon as the mail is opened, without having to collect postage and make change for their owners; and in the mailing of letters, the purchase by so large a portion of the public of stamps and envelopes relieves the postmasters of much of their former labor of receiving the postage on each letter mailed separately.

The time has arrived, in the opinion of your committee, when some retrenchment at least can be effected in the commissions of postmasters without injustice to them or detriment to the public service. In the smallest, which are generally held by their incumbents as an accommodation to the neighborhood more than for their remuneration—we allude to the post offices yielding less than \$400 per year—the committee propose no change in the present amount of compensation, which is sixty per cent., and ten per cent. extra if the mail arrives regularly at night; but on all above that standard they propose a reduction. On all amounts between \$100 and \$400 per quarter, namely, the offices where the receipts do not exceed \$1,600 per year, forty per cent. instead of the fifty now allowed. On the next \$2,000 receipts, thirty per cent. instead of forty. On all over \$2,400 per quarter, twelve and a half per cent. instead of fifteen; and on letters distributed at the distributing offices, ten instead of twelve per cent.

The effect of this would be to leave offices yielding but \$400 worth of letter postage per year the same commission as now; to reduce

those collecting \$400 per quarter, or \$1,600 per year, from \$840 commissions to \$720 ; and those collecting \$3,000, from \$1,400 commissions to \$1,140. From the sharp competition which generally prevails for the appointments to offices yielding annually between \$400 and \$3,000 letter postage, it is not believed that the efficiency of the service would be impaired by this change, which the decrease of labor by the compulsory prepayment system justifies, and which restores the compensation to about the aggregate under the law of 1853. And the curtailment thus effected would save, it is estimated, nearly two thousand dollars per year to the department, and possibly a still larger amount.

ROUTE AGENTS.

The route agents now employed by the department to assort and deliver mails to the way offices on the railroads and steamboats, and to take charge of through mails, number 475 ; and your committee believe that a curtailment in their number is both practicable and expedient. On some railroads, where the run of the mail trains does not exceed ten to twelve hours per day, four agents are now employed, enabling each one of them to be off duty one week for every week that he performs service, and thus requiring of them but thirty hours' labor per week. Your committee believe that on the longest routes, if within twelve to fifteen hours' service per day, a relaxation of two days per week, on an average, besides the Sabbath, is all that could reasonably be asked ; and they propose, therefore, that the number of route agents on such routes should be limited to three as a maximum number allowable ; on inferior routes, and where not to exceed eight hours' service per day is required, that the number should be limited to two agents ; and on way branch lines the practice already existing in the department of dispensing with agents, by employing the conductor or baggage-master, if of unquestionable character, and swearing him as an officer for that purpose, could be wisely and profitably enlarged.

The committee also propose that the maximum pay of route agents should be reduced from \$1,000 per year to \$900. The Blue Book for 1859, page 426, shows that on the 30th of September last of the 266 route agents employed in the twenty-one States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, Alabama, Florida, Louisiana, Mississippi, Tennessee, Kentucky, Missouri, Arkansas, Indiana, Illinois, Michigan, Wisconsin, Iowa, and Minnesota, none in any of these States, although they embrace some of the most important mail-routes of the country, received over \$900 per year, and seven-eighths, namely, 233 of the 266, received but \$800 or less per year. They, therefore, think that the 43 route agents in other States, who out of the whole 475 receive \$1,000 per year, could be brought down to the maximum allowed in the great State of New York, and that, graduating the remainder according to their maximum, and curtailing the number, as above recommended, an annual saving of \$25,000 to \$30,000 could be effected in this item of expenditure.

CLERKS IN POST OFFICES.

The increase in this item has been without parallel in the other expenditures of the department. The amount appropriated for this purpose for the year ending June 30, 1848, (which was after the adoption of the 5 and 10 cents letter rate,) was \$225,000. The amount paid for the same object during the fiscal year ending June 30, 1859, (see page 2, Postmaster General's Report,) was no less than \$929,900, being nearly four times as great as was paid only eleven years before. Indeed, two post offices, New York and Philadelphia, consume more of the post office revenues for salaries to their clerks than was paid eleven years ago for all the clerks in all the post offices in the Union. The Blue Book for 1859, pages 442 and 447, show that in New York city alone \$171,000 were paid out last year as salaries of post office clerks, and at Philadelphia \$57,000.

No law can be elaborated which will exactly define the amount that should be paid for services under this head, but it must rest, as it does now, under the supervision of the Postmaster General. The committee believe that, with that officer's earnest desire for retrenchment, it only needs that Congress shall indicate their desires for him to carry them out to the utmost of his ability. And with the expression of their belief that this so rapidly increased expenditure can be reduced fully one-third, if not in a larger degree, they recommend the section in the accompanying bill on that point to the attention of the Postmaster General.

Believing that these reforms would save the treasury fully a half million of dollars yearly, without impairing the vigor or efficiency of the department, the committee report the accompanying bill, and recommend its passage.